

Your guide to buying at auction

What is an auction?

An auction is a method of selling a property through the process of public offers. Participants bid openly against one another, with each subsequent bid required to be higher than the previous bid.

How Barfoot & Thompson makes sure you pay true market value

Barfoot & Thompson guarantee our customers that our auctioneers never make bids on behalf of clients, accept bids they believe to be made on behalf of clients, or knowingly accept any bid that is not genuine. It doesn't matter what you call them, they aren't real bids, which is why we do not allow that practice at Barfoot & Thompson auctions.

Understanding the bidding process

The auctioneer will open the bidding by asking for an opening bid and will then nominate the increments by which the bidding can be raised. For example:

- An opening bid is placed of \$600,000.
The auctioneer then nominates for the bid to be raised in increments of \$20,000, meaning the next person that bids will be offering \$620,000.

To place a bid, you simply attract the attention of the auctioneer by raising your hand and calling out your bid.

Once bidding reaches the reserve price, the property is 'on the market' and will sell to the highest bidder whose bid is accepted by the auctioneer when the bidding stops. The reserve price is set by the client prior to the auction and is established as a result of feedback from interested parties during the marketing process.

Registering your interest

If you may be interested in bidding for a property, make sure you register your interest formally with a salesperson from Barfoot & Thompson. That way, if a pre-auction offer is made, you will also be contacted and given the opportunity to participate in an early auction if it is brought forward.

Buying before auction day

In most cases you can place an unconditional offer prior to auction day. If the offer is at an acceptable level to the vendor, all other registered customers will be contacted and the auction will be brought forward in accordance with Barfoot & Thompson's Procedure for Pre-Auction Offers.

Simply submit your offer in writing on the Auction Particulars & Conditions of Sale (ask your Barfoot & Thompson salesperson for a copy).

Note: Before making a pre-auction offer, you need to read and understand the Procedure for Pre-Auction Offers. This form will be given to you by the Barfoot & Thompson salesperson.

Before bidding at an auction

You need to:

- Have read and understood the Auction Particulars & Conditions of Sale.
- Be in a position to bid on a cash unconditional basis. You can organise pre-approval through your bank or mortgage broker and then bid up to a price you are prepared to pay.
- Be able to pay a 10 percent deposit via electronic funds transfer and sign the contract as soon as the auction is over.

Attending an auction

Auctions can be viewed at a dedicated auction room, on-site at the property for sale or accessed online on our website. We recognise that not everyone can be physically present at our auctions, that's why we have a digital auction solution that allows buyers to bid online in real time at our scheduled auctions. The Bidder AUCTIONS LIVE app provides a transparent and secure method to bring auctions to buyers everywhere.

More questions? Your Barfoot & Thompson salesperson has the answers.